

APPENDICES

Overview of Significant Changes

Topic	Reference	Applicable Reporting Year	Description of Changes
			CHART OF ACCOUNTS
Revenue/Expenditure/Expense Accounts		01/01/2014	<p>This Excel book contains three spreadsheets. The spreadsheets are different versions of the same BARS chart:</p> <p>Above&Prescribed contains all prescribed accounts (including grants) and summary accounts which are above prescribed level and indicate categories of revenues and expenditures;</p> <p>Prescribed_Only contains all prescribed accounts (including grants) but excludes summary accounts;</p> <p>Prescribed_NoFederal_Grants contains only prescribed accounts and exclude federal grants.</p> <p>These spreadsheets are just examples of different versions serving different purposes. You may reformat the chart of accounts similarly to meet your needs; however when reporting only valid prescribed accounts applicable to your entity type should be included on Schedule 01.</p>
Account Structure	1.1.2.30	01/01/2014	The <i>Local Option</i> field was removed from prescribed BARS code structure. The local governments can add additional digits for their internal purposes in any part of their BARS code; however when reporting to the SAO they have to follow the seven digit code requirement. The entire section was adjusted to reflect this update. The change does not have any impact on BARS coding since the removed fields were never prescribed.
Revenue/Expenditure/Expense Accounts		01/01/2014	In previous versions we indicated unprescribed digit with an X . In the current chart of accounts the X was replaced with 0 which, except for two instances where is specifically designated (general fund number and object code for fund balances, nonexpenditures, and transfers-out) indicates unprescribed digit.
Revenue/Expenditure/Expense Accounts		01/01/2014	Coding federal (direct - 331/indirect - 333), ARRA (direct - 3391/indirect - 3392), capital (direct – 374/indirect – 375) grants was simplified. The local governments have to use only first two digits of the CFDA for BARS coding. The BARS code still has to be seven digits long; however the last two digits are not prescribed.
Revenue/Expenditure/Expense Accounts	3360104	01/01/2014	New account 3360104, <i>Court Cost Reimbursement – Children’s Attorney</i> was added.
Revenue/Expenditure/Expense Accounts	3695000	01/01/2014	Added a new account for <i>special items</i> .
Revenue/Expenditure/Expense Accounts	562	01/01/2014	The description of the account 562, <i>Public Health Services</i> contains the link to the DOH listing of elements/subelements for this BARS code. The supplement is no longer listed with BARS manuals.
Object Codes		01/01/2014	The object codes are not listed together with revenues and expenditures. They are now listed in a separate section.

			BUDGETING
			The entire budgeting part of manual was replaced with new one. There are NO changes in requirements. The revision included removal of outdated or unnecessary prescriptions and adding statutory requirements for special purpose districts.
			ACCOUNTING
Reserved and Unreserved Cash and Investments	3.1.8	01/01/2014	Added new section discussing how to properly classified beginning and ending cash and investments. There is no substantive change to the classification. The new section provides only an expanded discussion of the classification. The section was added 03/10/2015.
Money Held in Trust	3.2.4	01/01/2014	Updated the discussion of interest on deposits. Clarified the accounting requirements for Superior Court trust funds, emphasizing the need to reconcile accounts monthly.
Compensating Balances	3.2.5	01/01/2014	Clarified the discussion of compensating balances and added informational links to MRSC and GFOA.
Accounting for LOCAL Program Financing Activities	3.4.11	01/01/2014	Added guidelines for how to account for the LOCAL program.
Cash Receipting	3.6.1.50	01/01/2015	Added new section discussing requirements when a local government receives payments through third party vendors.
Electronic Fund Transfer	3.6	01/01/2015	The section was divided into two sections: one for receipts (3.6.6) and other for disbursements (3.8.14).
Voucher Certification and Approval	3.8.5	01/01/2015	Added checks and electronic payments.
Imprest, Petty Cash and Change Funds	3.8.8.30	01/01/2014	Added that for financial reporting purposes, revolving funds should be reported at their authorized balance in whichever reported fund is predominately served by the account and expenditures should be recorded when submitted for replenishment. This reporting will match the reconciled balance of each revolving fund so long as replenishment is done at fiscal year-end as expected.
			REPORTING
Reporting Requirements and Filing Instructions for Cities and Counties Reporting Requirements and Filing Instructions for Special Purpose Districts	4.1.5.60 4.1.6.60	01/01/2014	All subsequent discoveries of errors and omissions in the annual report – from the date of original submission up through the end of the audit applicable to that period – are required to be corrected by resubmitting the annual report. For any misstatements discovered during the audit, governments should ensure open communication with the audit team about the correction. Any misstatements discovered after the audit is completed that affect Schedule 01 should be recorded as a prior period adjustment. If misstatements discovered after completion of the audit are material, governments should immediately alert their audit team.
GAAP versus Cash Reporting	4.1.7	01/01/2014	The section discusses advantages and disadvantages of GAAP or cash basis reporting. This information was previously available on our website and now is incorporated into BARS manual.

Fund Resources and Uses Arising from Cash Transactions (C-4)	4.3.12.15	01/01/2014	Added a requirement to update incorrect financial statements.
Fiduciary Fund Resources and Uses Arising from Cash Transactions (C-5)	4.3.13.15		
Note 1- Summary of Significant Accounting Policies		01/01/2014	The note was revised to conform to the reporting and auditing standards for cash basis entities. The local governments are required to follow the new format. This and other notes are available in the Reporting Templates.
Note X-Deposits and Investments		01/01/2014	The note was expanded to include deposits and different forms of investments. The local governments are required to follow the new format. This and other notes are available in the Reporting Templates.
Revenue/Expenditure/Expense (Schedule 01)	4.8.1.50	01/01/2014	In Column 2 added that the government reports only one fund, it should indicate the fund type and use 0XX for the governmental fund and 4XX for the proprietary fund type.
Expenditure of Federal Awards and State Financial Assistance (Schedule 16)	4.8.5	01/01/2014	<p>The Schedule of State Assistance was excluded from the Schedule 16 and it became a separate Schedule 15. There are no changes in the reporting requirements for this Schedule. Adjustments related to split of the previous Schedule 16 into two schedules were carried through the Manual.</p> <p>The federal expenditures should be still reported on the Schedule of Expenditures of Federal Awards (Schedule 16). In addition to the requirement to submit a data collection form and reporting package to the Federal Audit Clearinghouse, governments are required to submit a copy of the reporting package to each pass-through entity per OMB Circular A-133 section .320 (e), which provides the results of the audit. As a courtesy, the SAO will distribute the reporting package to each pass-through agency listed on the SEFA if you will provide the following contact information:</p> <ul style="list-style-type: none"> • Contact name • Contact email address • Contact phone number
Questionnaire for Small Local Governments Accountability Audits (Schedule 22)	4.8.10	01/01/2014	The Schedule 22 was updated for 2015 to: improve specific targeting of questions to entities based on government type, eliminate questions that would normally be marked, "NA," due to a previous question's response, improve the ability to navigate the Schedule 22 and allow entities to upload requested supplemental attachments directly to the Schedule 22, when requested, within the online filing application. Additionally, our Office now offers guidance to all Schedule 22 questions, which is available by following the link located in the BARS manual Schedule 22 instructions.
			APPENDICES
Glossary of Accounting Terms		01/01/2015	Removed the outdated glossary of accounting terms.
Overview of Significant Changes		01/01/2014	The listing of changes focuses only on significant ones; revisions which do not have a substantive impact on accounting or reporting are not listed.